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Global demand for innovation prevails over challenges of COVID-19: new report from Evaluate Ltd.

“EvaluatePharma® World Preview 2020, Outlook to 2026” explores biopharma growth drivers, brakes and top performers

LONDON, BOSTON, TOKYO (July 16, 2020) – The impact of COVID-19 has so far wiped \$7.85bn off forecasts for biopharma sales in 2020, with the top 15 companies bearing 60% of that loss, according to the “EvaluatePharma® World Preview 2020, Outlook to 2026”, published today.

However, the industry is expected to remain in good health overall, with prescription drug sales growing 3.7% in 2020 to \$904bn and reaching almost \$1.4 trillion in 2026.

- 2020 forecasts for central nervous system products have been hit hardest by COVID-19, decreasing by a total of \$1.4bn.
- Merck & Co and Pfizer are expected to see the most negative short-term impact, with their 2020 sales forecasts reduced by 3.2% and 3%, respectively.
- GlaxoSmithKline’s 2020 forecast has grown by 2.1%, due to increased demand for the now off-patent respiratory drug Ventolin HFA and stockpiling of HIV regimen Tivicay.

Despite the near-term impact of COVID-19, demand for innovative and effective therapies continues to drive long-term growth. Oncology remains the leading area for R&D investment with a forecast spend of \$82bn, more than triple that of any other area. This spend is forecast to result in 152 novel FDA approvals and \$311bn of drug sales in 2026. However, total spending on R&D is expected to grow only 3.2% to 2026, lower than the compound annual growth rate (CAGR) of 4.6% between 2012 and 2019.

Growth Drivers and Brakes

- Prescription drug sales are forecast to grow at a CAGR of 7.4% between 2020 and 2026, driven by several highly anticipated drug launches.
- The orphan drug market is expected to double from \$127bn sales in 2019 to \$255bn in 2026, with a projected CAGR of 10.8% from 2020-2026.
- \$252bn in sales are at risk due to patent expiries between 2020 and 2026, most notably including Humira – currently the top-selling product in the world – in 2023.

Top Performers

- Roche will be the leading prescription drug company in 2026 with forecast sales of \$61bn, retaining its top spot from 2019.
- Keytruda is expected to be the top selling drug worldwide in 2026 with \$24.9bn sales, almost double its closest rival.
- Eli Lilly’s tirzepatide is the most valuable project in the pharmaceutical pipeline, with a current net present value of \$7.8bn.

“Although COVID-19 is likely to dampen sales in 2020, for now the biopharma industry looks well-positioned to continue its pattern of strong growth through 2026,” said report author Ryan Waters. “However, should the pandemic continue to delay clinical trial activity or begin to disrupt regulatory approvals, the impact could be much more sustained.”

Download your complimentary copy of the “EvaluatePharma® World Preview 2020, Outlook to 2026” at <https://www.evaluate.com/PharmaWorldPreview2020>.

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Evaluate provides trusted commercial intelligence for the pharmaceutical industry and their advisors. Our Evaluate platform offers unique and dynamic insights into asset risk and value alongside a seamless, comprehensive view of the pharmaceutical market landscape.

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